GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:347
ANSWERED ON:13.12.2002
DECLINE IN EXPORT OF TEA
NIVEDITA MANE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there has been a huge decline in the export of tea from India during the last two years;

(b) if so, the details thereof alongwith the reasons therefor;

(c) whether tea industry is likely to get a big boost with cent per cent foreign direct investment in this sector; and

(d) if so, the target set for export of tea by the Government during the current financial year?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN SHOURIE)

(a) to (d) : A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (d) OF LOK SABHA STARRED QUESTION NO.347 FOR ANSWE 13.12.2002 REGARDING DECLINE IN EXPORT OF TEA:-

(a)&(b) : The export of tea from India increased from 192.44 million kgs in 1999-2000 to 203.55 million kgs in 2000-01. However, in the subsequent financial year, 2001-02, the export declined to 190 million kgs.

The major factors responsible for the decline in exports of tea are lower off take by Russia, stiff competition from other tea producing countries like Sri Lanka, China, Indonesia, Vietnam and Kenya and tariff and non-tariff measures imposed by some important tea importing countries like Russia, Egypt and Iran.

(c): FDI in tea sector which has been recently approved by the Central Government would assist in generating the required capital for modernization of the tea industry and rejuvenating the tea plantation sector. This, in turn, would help the Indian tea industry to become more competitive in the world market.

(d) The Government has set an export target of 200 million kgs of tea for the current financial year 2002-03.